

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554**

In the Matter of	)	
	)	
Empowering Consumer to Avoid Bill Shock	)	CG Docket No. 10-207
	)	
Consumer Information and Disclosure	)	CG 09-158
	)	

**REPLY COMMENTS OF CELLULAR SOUTH, INC.**

Cellular South, Inc. (“Cellular South” or the “Company”), the nation’s largest privately-held wireless carrier – serving over 880,000 customers in primarily rural areas – submits these Reply Comments in the above referenced docket.

**Discussion**

On October 14, 2010, the Commission released a Notice of Proposed Rulemaking seeking comment on proposed rules requiring mobile service providers to deploy usage alerts and provide information to assist consumers in avoiding unexpected charges on their bills (the “Bill Shock NPRM”).<sup>1</sup> Cellular South supports the various comments filed in response to the Bill Shock NPRM urging the Commission to devote its rule-making resources to other, more pressing matters, including the lack of competition in the

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<sup>1</sup> *See*, Empowering Consumers to Avoid Bill Shock Consumer Information and Disclosure, CG Docket Nos. 10-207 and 09-158, Notice of Proposed Rulemaking (October 14, 2010).

wireless marketplace<sup>2</sup>. In addition, Cellular South would like the Commission to be aware of the Company's ongoing efforts to address customer concerns over unexpected charges.

Cellular South joins with other filers who point out the need for the Commission to rededicate its resources to lingering competitive issues. The Commission unfortunately continues to let well-documented market failures linger within the wireless marketplace. The nation's two largest wireless carriers continue to leverage their overwhelming market dominance to deny competitive carriers any or, at a minimum, economically feasible access to nationwide roaming and interoperable 700 MHz equipment and devices. Despite a robust record of clear market failures, the Commission continues to take no action on data roaming obligations<sup>3</sup> or 700 MHz interoperability<sup>4</sup>. Unlike easily redressed concerns over "bill shock", competitive issues like data roaming and interoperability have a substantial impact on Cellular South's and other competitive carriers' ability to deliver to our customers affordable access to the services and devices they expect from a once competitive wireless market.

While addressing anti-competitive behavior by the two largest carriers is far more critical to a vibrant market in which competitive carriers can continue to meet consumer needs, Cellular South does want to make the Commission aware its ongoing efforts to address consumer concerns over unexpected charges.

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<sup>2</sup> See, e.g., Comments of Rural Cellular Association, p. 16-17 (January 10, 2011),

<sup>3</sup> See, WT Docket No. 05-265, *In the Matter of Reexamination of Roaming Obligations of Commercial Mobile Radio Service Providers Automatic and Manual Roaming Obligations Pertaining to Commercial Mobile Radio Services*.

<sup>4</sup> See, RM-11592, *700 MHz Mobile Equipment Capability*.

Cellular South has a tradition of responding to consumer demands regarding unexpected wireless costs. Nearly ten years ago, Cellular South became one of the first wireless carriers in the nation to offer its customers an unlimited service plan. Since then Cellular South has taken numerous, industry-leading steps to assure its customers receive the service they need on a service plan they can understand.

Last month, in further response to customer concerns over unexpected charges, Cellular South began phasing in a text-based warning system that alerts customers when they have exceeded their post-paid contract service amount by \$100, \$115, and \$125. The system, which is integrated with the Company's customer billing software, monitors the minority of Cellular South subscribers on post-paid limited or "metered" plans.<sup>5</sup>

The system sends an automated text-message directly to a subscriber's device whenever the subscriber has exceeded an amount greater than \$100 of their pre-paid contract amount. The message is resent when the customer exceeds \$115 and \$125 of the contract amount. The text-message alerts the customer to the overage on their account and directs the customer to contact Cellular South Customer Support.<sup>6</sup>

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<sup>5</sup> Because pre-paid customers can only use services they have pre-paid, they cannot receive "unexpected" charges. Likewise, unlimited plan customers cannot incur overages on their account. As a result, pre-paid customers and post-paid, unlimited plan customers have not been included in the alert system.

<sup>6</sup> To the extent a subscriber's device is not text-enabled, a Cellular South representative attempts to contact the subscriber by phone. If attempts to contact the subscriber by phone are unsuccessful, the subscriber's device is deactivated until they call Cellular South Customer Support and can be notified of their account overage and given an opportunity to adjust their usage or change their usage plan.

Once the subscriber contacts Customer Support, a Company representative works with the subscriber to diagnose the cause of the overage (i.e., texting, data usage, or voice usage) and gives the customer the option of either altering their usage habits to avoid further overages or changing to another, more economical plan that better accommodates their usage.

While analysis of the initial phase of this alert program remains ongoing, initial results reflect at least two key conclusions: (1) “Bill Shock” is an issue for a very small percentage of Cellular South’s customers – many of whom have already chosen to avoid unexpected costs by signing up for the ease and convenience of Cellular South’s various unlimited voice and data plans – and (2) wireless carriers can and have voluntarily developed and deployed successful customer care solutions; regulators should focus on assuring healthy market conditions, not customer care programs.

First, Bill Shock appears to affect an extremely small percentage of our customers. In the two weeks that the program has been in the field, only one quarter of one percent (.25%) of all Cellular South customers reached or exceeded the trigger for an overage alert. Second, and more important, the program has met with positive customer results. No customer has been lost as a result of receiving an overage alert. In fact, the Company has been able to accommodate customer requests to be notified of future overages as low as \$1 or to have the overage alerts on the customer’s account switched off altogether. In short, the program appears to be meeting our customers’ needs and will

permit Cellular South to continue to maintain one of the lowest customer turnover rates in the industry.

Accordingly, Cellular South respectfully requests the Commission reconsider its effort to impose customer care rules on wireless carriers and, instead, refocus its resources to address the market failures that have led to a lack of data roaming and interoperable 700 MHz equipment and devices – issues that are critical to restoring a competitive wireless marketplace.

Respectfully submitted,

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